

**IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF VIRGINIA  
HARRISONBURG DIVISION**

UNITED STATES OF AMERICA

**V.**

**JENNIFER RAE MCDONALD**

Criminal Case No.

**In violation of:**

**18 U.S.C. § 1028A (Agg. Identity Theft)**

**18 U.S.C. § 1343 (Wire Fraud)**

**18 U.S.C. § 1344 (Bank Fraud)**

**18 U.S.C. § 1957 (Money Laundering)**

## INDICTMENT

The Grand Jury charges that:

## Introduction

At all times relevant to this Indictment:

1. The Industrial Development Authority of the Town of Front Royal and the County of Warren, Virginia, also known as the Economic Development Authority of the Town of Front Royal and the County of Warren, Virginia (“EDA”), was a public organization whose purpose was to foster and stimulate the development of industry in the Front Royal-Warren County area of Virginia. The EDA sought to accomplish this, in part, by purchasing real property through loans or lines of credit it obtained, by renting property to businesses, and by offering financial incentives to businesses.

2. The EDA was funded by the Warren County, and also at one point, the Town of Front Royal, and through rental payments it collected from the properties it owned.

3. JENNIFER RAE MCDONALD was the Executive Director of the EDA from April 2008 until December 2018.

4. DaBoyz, LLC was a Virginia limited liability corporation owned and operated by JENNIFER RAE MCDONALD and D.M.

5. Moveon8, LLC was a Virginia limited liability corporation owned and operated by JENNIFER RAE MCDONALD.

6. TLC Settlements, LLC was a Virginia limited liability corporation that operated in Front Royal, Virginia.

7. First Bank and Trust was a federally insured financial institution.

8. Union Bank and Trust was a federally insured financial institution.

9. The First Bank was a federally insured financial institution.

10. United Bank was a federally insured financial institution.

#### **The Scheme and Artifice to Defraud**

11. From on or about June 3, 2014 to on or about December 20, 2018, JENNIFER RAE MCDONALD knowingly devised, intended to devise, and participated in a scheme to defraud the Economic Development Authority of the Town of Front Royal and the County of Warren, Virginia, and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises.

#### **Manner and Means of the Scheme and Artifice to Defraud**

It was part of the scheme that:

12. JENNIFER RAE MCDONALD, through her position as Executive Director of the EDA, had access to funds belonging to the EDA including through checking accounts and credit facilities in the name of the EDA.

13. JENNIFER RAE MCDONALD, without authorization, used EDA funds to pay off outstanding loans in the name of Little Rugratz, LLC, a business in which she and a family member both owned an interest.

14. JENNIFER RAE MCDONALD, without authorization, used EDA funds to purchase real property for her benefit in the names of others and in the name of DaBoyz, LLC. For these real estate transactions, JENNIFER RAE MCDONALD often earned commissions as a real estate agent.

15. JENNIFER RAE MCDONALD, without authorization, used EDA funds to purchase real property at 400 Craig Drive, Stephens City, Virginia. JENNIFER RAE MCDONALD then effected the sale of the property and used a portion of the proceeds for her benefit.

16. JENNIFER RAE MCDONALD, without authorization, used EDA funds to purchase real property at 118 Jutland Court, Stephens City, Virginia. JENNIFER RAE MCDONALD then effected the sale of the property and used a portion of the proceeds for her benefit.

17. JENNIFER RAE MCDONALD, without authorization, used EDA funds to purchase real property at 1309 Robinhood Lane, Front Royal, Virginia.

18. JENNIFER RAE MCDONALD, without authorization, used EDA funds to purchase real property at 2890 Buck Mountain Road, Browntown, Virginia, and adjacent parcels in the name of DaBoyz, LLC.

19. JENNIFER RAE MCDONALD, without authorization, used EDA funds to purchase real property at 1321 Happy Creek Road, Front Royal, Virginia in the name of DaBoyz, LLC.

20. JENNIFER RAE MCDONALD, without authorization, used EDA funds to purchase real property at 2951 Rileyville Road, Rileyville, Virginia in the name of DaBoyz, LLC.

21. JENNIFER RAE MCDONALD, without authorization, used EDA funds to make payments towards the balances accrued on personal credit cards and to make payments towards the balances of credit cards of family members.

22. JENNIFER RAE MCDONALD created false documentation, including invoices and real estate documents, to disguise the scheme to defraud.

23. JENNIFER RAE MCDONALD forged the name of others to disguise and to effect the scheme to defraud.

24. JENNIFER RAE MCDONALD submitted false documentation to bank employees, auditors, and settlement agents to effect the scheme to defraud.

25. JENNIFER RAE MCDONALD caused wire transfers, withdrawals of funds, deposits of checks, the issuance of cashier's checks, and payments to financial institutions to effect the scheme to defraud.

**COUNTS ONE THROUGH SEVEN**  
***Wire Fraud***

26. Paragraphs 1 through 25 are incorporated as stated herein.

27. On or about each of the dates set forth below, in the Western District of Virginia and elsewhere, for the purpose of executing the scheme described above, JENNIFER RAE MCDONALD caused to be transmitted by means of wire communication in interstate commerce writings, signs, signals, pictures, and sounds, namely, wire transfers of funds described below for each count, each transmission constituting a separate count:

COUNT	DATE	ITEM
<b>ONE</b>	September 14, 2016	Wire transfer of \$2,000,000 from an account held at The First Bank and Trust in the name of the EDA to an account held at Union Bank and Trust in the name of TLC Settlements, LLC
<b>TWO</b>	April 11, 2017	Wire transfer of \$1,007,672.84 from an account held at The First Bank and Trust in the name of the EDA to an account held at Union Bank and Trust in the name of TLC Settlements, LLC
<b>THREE</b>	April 26, 2017	Wire transfer of \$554,427.20 from an account held at The First Bank and Trust in the name of the EDA to an account held at Union Bank and Trust in the name of TLC Settlements, LLC
<b>FOUR</b>	May 30, 2018	Wire transfer of \$13,562.31 from an account held at The First Bank and Trust in the name of the EDA to an account held at United Bank in the name of the EDA
<b>FIVE</b>	June 8, 2018	Wire transfer of \$17,563.98 from an account held at The First Bank and Trust in the name of the EDA to an account held at United Bank in the name of the EDA
<b>SIX</b>	June 12, 2018	Wire transfer of \$19,250.00 from an account held at The First Bank and Trust in the name of the EDA to an account held at United Bank in the name of the EDA
<b>SEVEN</b>	July 6, 2018	Wire transfer of \$366,115.20 from an account held at The First Bank and Trust in the name of the EDA to an account held at United Bank in the name of the EDA

28. All in violation of Title 18, United States Code, Section 1343.

**COUNTS EIGHT THROUGH SEVENTEEN**  
***Bank Fraud***

29. Paragraphs 1 through 25 are incorporated as stated herein.

30. On or about each of the dates set forth below, in the Western District of Virginia and elsewhere, JENNIFER RAE MCDONALD did knowingly execute a scheme and artifice to obtain moneys, funds, credits, asset, securities, or other property owned by, or under the custody or control of United Bank and First Bank and Trust, federally insured financial institutions, by

means of false and fraudulent pretenses, representations, and promises, described below for each count, each execution constituting a separate count:

COUNT	DATE	ITEM
<b>EIGHT</b>	July 24, 2014	Debit in the amount of \$345,000.00 in the form of a cashier's check drawn on an account held at United Bank in the name of the EDA and made payable to Service Title of Front Royal, LLC
<b>NINE</b>	August 11, 2015	Debit in the amount of \$285,000.00 in the form of a cashier's check drawn on an account held at United Bank in the name of the EDA and made payable to Service Title of Front Royal, LLC
<b>TEN</b>	August 31, 2015	Debit in the amount of \$110,000.00 in the form of a cashier's check drawn on an account held at United Bank in the name of the EDA and made payable to Service Title of Front Royal, LLC
<b>ELEVEN</b>	September 14, 2016	Wire transfer of \$2,000,000 from an account held at The First Bank and Trust in the name of the EDA to an account held at Union Bank and Trust in the name of TLC Settlements, LLC
<b>TWELVE</b>	April 11, 2017	Wire transfer of \$1,007,672.84 from an account held at The First Bank and Trust in the name of the EDA to an account held at Union Bank and Trust in the name of TLC Settlements, LLC
<b>THIRTEEN</b>	April 26, 2017	Wire transfer of \$554,427.20 from an account held at The First Bank and Trust in the name of the EDA to an account held at Union Bank and Trust in the name of TLC Settlements, LLC
<b>FOURTEEN</b>	June 6, 2018	Payment in the amount of \$13,562.31 in the form of a check drawn on an account held at United Bank in the name of the EDA and deposited for the benefit of a Sears Credit Card held by Citibank in the name of Jennifer Rae McDonald
<b>FIFTEEN</b>	June 19, 2018	Payment in the amount of \$17,563.98 in the form of a check drawn on an account held at United Bank in the name of the EDA and deposited for the benefit of a Sears Credit Card held by Citibank in the name of Jennifer Rae McDonald
<b>SIXTEEN</b>	June 20, 2018	Payment in the amount of \$14,250.00 in the form of a check drawn on an account held at United Bank in the name of the EDA and deposited for the benefit of a Chase Credit Card held by J.P. Morgan Chase Bank in the name of Jennifer Rae McDonald

<b>SEVENTEEN</b>	July 19, 2018	Payment in the amount of \$6,539.23 drawn in the form of a check on an account held at United Bank in the name of the EDA and deposited for the benefit of a Sears Credit Card held by Citibank in the name of Jennifer Rae McDonald
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31. All in violation of Title 18, United States Code, Section 1344(2).

**COUNT EIGHTEEN**  
***Aggravated Identity Theft***

32. Between on or about September 8, 2016, continuing through on or about September 20, 2016, in the Western District of Virginia, the defendant, JENNIFER RAE MCDONALD, did knowingly use, without lawful authority, a means of identification of another person, specifically T.T., during and in relation to a felony violation enumerated in 18 U.S.C. § 1028A(c), to wit, wire fraud, in violation of Title 18, United States Code, Section 1343, knowing that the means of identification belonged to another actual person.

33. All in violation of Title 18, United States Code, Section 1028A(a)(1).

**COUNTS NINETEEN THROUGH THIRTY-FOUR**  
***Money Laundering***

34. On or about the dates set forth below, in the Western District of Virginia, and elsewhere, the defendant, JENNIFER RAE MCDONALD, did knowingly engage and attempt to engage in the following monetary transactions by, through, or to a financial institution, affecting interstate or foreign commerce, in criminally derived property of a value greater than \$10,000, that is the withdrawal and transfer of funds and monetary instruments, such property having been derived from a specified unlawful activity, that is, wire fraud, in violation of 18 U.S.C. § 1343, and bank fraud, in violation of 18 U.S.C. § 1344.

COUNT	DATE	ITEM
<b>NINETEEN</b>	October 31, 2016	\$584,011.28 transferred from J.S. to a checking account in the name of DaBoyz, LLC held at Union



		Bank and Trust and with an account number ending in 2247
<b>TWENTY</b>	October 31, 2016	\$583,933.56 transferred from J.S. to a checking account in the name of DaBoyz, LLC held at Union Bank and Trust and with an account number ending in 2247
<b>TWENTY-ONE</b>	November 22, 2016	\$199,123.71 withdrawn from a checking account in the name of DaBoyz, LLC held at Union Bank and Trust and with an account number ending in 2247
<b>TWENTY-TWO</b>	March 16, 2017	\$59,803.87 withdrawn from a checking account in the name of DaBoyz, LLC held at Union Bank and Trust and with an account number ending in 2247
<b>TWENTY-THREE</b>	May 11, 2017	\$66,552.79 withdrawn from a checking account in the name of DaBoyz, LLC held at Union Bank and Trust and with an account number ending in 2247
<b>TWENTY-FOUR</b>	July 7, 2017	\$10,215.28 transferred from a checking account in the name of DaBoyz, LLC held at Union Bank and Trust and with an account number ending in 2247
<b>TWENTY-FIVE</b>	July 19, 2017	\$15,618.70 transferred from a checking account in the name of DaBoyz, LLC held at Union Bank and Trust and with an account number ending in 2247
<b>TWENTY-SIX</b>	August 14, 2017	\$13,000.00 transferred from a checking account in the name of DaBoyz, LLC held at Union Bank and Trust and with an account number ending in 2247
<b>TWENTY-SEVEN</b>	August 17, 2017	\$13,035.57 transferred from a checking account in the name of DaBoyz, LLC held at Union Bank and Trust and with an account number ending in 2247
<b>TWENTY-EIGHT</b>	October 10, 2017	\$14,000.00 transferred from a checking account in the name of DaBoyz, LLC held at Union Bank and Trust and with an account number ending in 2247
<b>TWENTY-NINE</b>	October 11, 2017	\$12,000.00 transferred from a checking account in the name of DaBoyz, LLC held at Union Bank and Trust and with an account number ending in 2247
<b>THIRTY</b>	October 24, 2017	\$19,000.00 transferred from a checking account in the name of DaBoyz, LLC held at Union Bank and Trust and with an account number ending in 2247
<b>THIRTY-ONE</b>	December 12, 2017	\$10,184.66 transferred from a checking account in the name of DaBoyz, LLC held at Union Bank and Trust and with an account number ending in 2247
<b>THIRTY-TWO</b>	December 26, 2017	\$15,000.00 transferred from a checking account in the name of DaBoyz, LLC held at Union Bank and Trust and with an account number ending in 2247
<b>THIRTY-THREE</b>	March 16, 2018	\$17,934.50 transferred from a checking account in the name of DaBoyz, LLC held at Union Bank and Trust and with an account number ending in 2247



<b>THIRTY-FOUR</b>	March 16, 2018	\$12,845.71 transferred from a checking account in the name of DaBoyz, LLC held at Union Bank and Trust and with an account number ending in 2247
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35. All in violation of Title 18, United States Code, Section 1957.

### **FORFEITURE ALLEGATION**

36. Upon conviction of the offenses alleged in Counts One through Seven, the defendant shall forfeit to the United States any property, real or personal, which constitutes or is derived from proceeds traceable to these offenses, pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c). The United States will also seek a money judgment equal to the value of any property, real or personal, which constitutes or is derived from proceeds traceable to this offense.

37. Upon conviction of the offense alleged in Counts Eight through Seventeen, the defendant shall forfeit to the United States any property constituting, or derived from, proceeds the defendant obtained directly or indirectly, as the result of these offenses, pursuant to 18 U.S.C. § 982(a)(2)(A). The United States will also seek a money judgment equal to the value of any property constituting, or derived from, any proceeds obtained, directly or indirectly, as the result of this offense.

38. Upon conviction of the offense alleged in Counts Nineteen through Thirty-four, the defendant shall forfeit to the United States any property, real or personal, involved in this offense, or any property traceable to such property, pursuant to 18 U.S.C. § 982(a)(1). The United States will also seek a money judgment equal to the value of any property, real or personal, involved in this offense, or any property traceable to such property.


39. If any of the property described above as being subject to forfeiture, as a result of any act or omission of the defendants:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the Court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property that cannot be divided without difficulty;

the defendants shall forfeit to the United States any other property of the defendant, up to the value of the property described above, pursuant to Title 21, United States Code, Section 853(p).

40. Criminal Forfeiture, pursuant to Title 18, United States Code, Sections 981(a)(1)(C), 982(a)(1), and 982(a)(2)(A), Title 21, United States Code, Section 853(p), and Title 28, United States Code, Section 2461(c).

A TRUE BILL, this 25 day of August 2021.

  
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DANIEL P. BUBAR  
ACTING UNITED STATES ATTORNEY

s/foreperson  
FOREPERSON